



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2011 Biennium

Bill #	SB0381	Title:	Direct department of justice to enter MOU on enforcement of alien laws
Primary Sponsor:	Shockley, Jim	Status:	As Introduced

- | | | |
|---|--|--|
| <input type="checkbox"/> Significant Local Gov Impact | <input checked="" type="checkbox"/> Needs to be included in HB 2 | <input type="checkbox"/> Technical Concerns |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts | <input type="checkbox"/> Dedicated Revenue Form Attached |

FISCAL SUMMARY

	<u>FY 2010 Difference</u>	<u>FY 2011 Difference</u>	<u>FY 2012 Difference</u>	<u>FY 2013 Difference</u>
Expenditures:				
General Fund	\$3,000	\$1,500	\$0	\$0
Revenue:				
General Fund	\$0	\$0	\$0	\$0
Net Impact-General Fund Balance:	<u><u>(\$3,000)</u></u>	<u><u>(\$1,500)</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

Description of fiscal impact:

SB 381 would require the Attorney General's Office (AGO) to negotiate a memorandum of understanding (MOU) with the federal government. The AGO should be able to complete the negotiation without adding additional staff, however it will likely require travel which will result in a negative impact on the general fund. Once an agreement is reached additional resources may be needed to implement the MOU.

FISCAL ANALYSIS

Assumptions:

Department of Justice

Attorney General's Office

1. SB 381 requires the Attorney General's Office to negotiate a memorandum of understanding with the federal government. It is assumed it will require three trips to Denver to negotiate the memorandum (two trips in FY 2010 and one trip in FY 2011).
2. Based on recent trips to Denver, it is assumed each trip will cost approximately \$1,500, including airfare and lodging. The total cost for travel will be \$4,500 [$\$1,500/\text{trip} \times 3 \text{ trips} = \$4,500$]: \$3,000 in FY 2010 [$\$1,500/\text{trip} \times 2 \text{ trips} = \$3,000$] and \$1,500 in FY 2011.

Montana Highway Patrol (MHP)

3. MHP has determined there are three ways to implement the program required under SB 381. Since there is no way at this time to determine what kind of agreement would be negotiated in the MOU, for purposes of this fiscal note no additional costs are shown. It would be assumed that any increased costs would be funded with federal funds.
- a. OPTION 1 –
- i. It is MHP's assumption that 13.00 FTE would be needed in order to create the most effective and functional immigration unit. These FTE would be made up of 10 troopers, 2 sergeants, and one captain and all would be hired on October 1, 2009. It is assumed there will be a 3% pay raise for troopers and 1% increase for the sergeants and the captain each fiscal year on July 1. It is assumed the annualized rate of increase in state share will be 8% at the beginning of each fiscal year. State provided payroll benefits for the MHP officers is approximately 32.43%.
1. FY 2010: \$696,416
- a. Troopers: The estimated personal services cost for these 10.00 FTE is \$505,330.
- b. Sergeants: The estimated personal services cost for these 2.00 FTE is \$118,860.
- c. Captain: The estimated personal services cost for this 1.00 FTE is \$72,226.
2. FY 2011: \$956,657
- a. Troopers: The estimated personal services cost for these 10.00 FTE is \$697,750.
- b. Sergeants: The estimated personal services cost for these 2.00 FTE is \$161,120.
- c. Captain: The estimated personal services cost for this 1.00 FTE is \$97,787.
3. FY 2012: \$985,944
- a. Troopers: The estimated personal services cost for these 10.00 FTE is \$722,770.
- b. Sergeants: The estimated personal services cost for these 2.00 FTE is \$163,854.
- c. Captain: The estimated personal services cost for this 1.00 FTE is \$99,320.
4. FY 2013: \$1,013,073
- a. Troopers: The estimated personal services cost for these 10.00 FTE is \$746,360.
- b. Sergeants: The estimated personal services cost for these 2.00 FTE is \$166,130.
- c. Captain: The estimated personal services cost for this 1.00 FTE is \$100,583.
- ii. In FY 2010, equipment would be purchased for 13 new FTE including 13 cars, four transport vans, and one bus. The total equipment funding needed in FY 2010 is \$710,308. [(\$29,120/car * 13 cars = \$378,560) + (\$26,087/van * 4 vans = \$104,348) + \$227,400/bus = \$710,308]. The following fiscal years through the 2013 biennium would have \$41,000 in operating costs for these vehicles.
- iii. In FY 2010, new personal equipment would be purchased for 13 new FTE. This includes weapons, uniforms, body armor, and restraints. The total personal equipment funding needed in FY 2010 is \$111,800. The following fiscal years through the 2013 biennium would have an estimated \$26,000 in operating costs to keep the unit running.
- iv. In FY 2010, all 13 new FTE would be sent to immigration enforcement training. This is a four week course that would cost approximately \$5,200 in travel and \$72,800 in per diem lodging and meals.

- v. A building would need to be rented in order to house the new unit, with an estimated cost per square foot of \$22,000 per year plus \$5,000 in utilities. Due to the effective date of this bill (10/1/09), costs would be approximately \$20,250 [$(\$22,000 + \$5,000 = \$27,000) * 0.75 \text{ year} = \$20,250$].
- b. OPTION 2 –
 - i. MHP has looked at a second option in which current patrol officers are sent to training rather than hiring new troops. In this case, there are no additional personal services, but there are still vehicle requirements, personal equipment costs, and training expenses (travel, lodging, and per diem). The estimated cost of this option is \$589,500 in FY2010 and \$50,500 in subsequent years.
 - 1. FY 2010: \$589,500
 - a. Vehicle requirements: \$305,661
 - b. Personal equipment: \$163,400
 - c. Training: \$120,000
 - 2. FY 2011, FY 2012, FY 2013: \$50,500
 - a. Vehicle requirements: \$12,500
 - b. Personal equipment: \$38,000
- c. OPTION 3 –
 - i. MHP has looked at a third option in which 3.00 FTE (one captain and two sergeants) are hired and two current officers per district (16) are sent to training rather than hiring new troops. The estimated cost of this option is \$861,507 in FY2010 and about \$315,000 in subsequent years.
 - 1. FY 2010: \$861,507
 - a. Personal services: \$191,086
 - b. Vehicle requirements: \$393,021
 - c. Personal equipment: \$163,400
 - d. Training: \$114,000
 - 2. FY 2011: \$315,407
 - a. Personal services: \$258,907
 - b. Vehicle requirements: \$18,500
 - c. Personal equipment: \$38,000
 - 3. FY 2012: \$319,674
 - a. Personal services: \$263,174
 - b. Vehicle requirements: \$18,500
 - c. Personal equipment: \$38,000
 - 4. FY 2013: \$323,213
 - a. Personal services: \$266,713
 - b. Vehicle requirements: \$18,500
 - c. Personal equipment: \$38,000

	<u>FY 2010 Difference</u>	<u>FY 2011 Difference</u>	<u>FY 2012 Difference</u>	<u>FY 2013 Difference</u>
<u>Fiscal Impact:</u>				
FTE	0.00	0.00	0.00	0.00
<u>Expenditures:</u>				
Operating Expenses	\$3,000	\$1,500	\$0	\$0
<u>Funding of Expenditures:</u>				
General Fund (01)	\$3,000	\$1,500	\$0	\$0
<u>Revenues:</u>				
General Fund (01)	\$0	\$0	\$0	\$0
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>				
General Fund (01)	(\$3,000)	(\$1,500)	\$0	\$0

*Sponsor's Initials*_____
*Date*_____
*Budget Director's Initials*_____
Date